

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:	)	Bankruptcy No. 20-10334-TPA
	)	
JOSEPH MARTIN THOMAS,	)	Chapter 11
	)	
Debtor	)	Related to Doc No. 345
	)	
JOSEPH MARTIN THOMAS,	)	
	)	
Movant	)	
	)	
v.	)	
	)	Date and Time of Hearing:
NO RESPONDENT	)	April 29, 2021 at 9:30 a.m.

**LIMITED OBJECTION TO APPLICATION TO EMPLOY AND RETAIN DARGATE  
AUCTION GALLERIES LLC AS AUCTIONEER FOR THE DEBTOR**

AND NOW, comes the Official Creditors' Committee ("Committee") for Tri-State Pain Institute, LLC ("Tri-State"), an affiliate of the Debtor in a separate, but related proceeding for reorganization under Chapter 11 at Case No. 20-10049-TPA, by and through the Committee's counsel, Knox McLaughlin Gornall & Sennett, P.C., with this Limited Objection to Debtor's *Application for Debtor Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code for Authorization to Employ and Retain Dargate Auction Galleries LLC as Auctioneer for the Debtor*, as follows:

1. The Committee does not object to the Debtor employing an auctioneer to liquidate the Debtor's extensive collection of fine art and furnishings.
2. The Committee objects to the usurious terms (including a buyer's premium) on which the Debtor proposes to pay the auctioneer.
3. Under the Consignment Agreement attached to the Debtor's Motion, the Auctioneer proposes to receive 30% on sales under \$1,000 or 20% from sales over \$1,000.

Furthermore, there are “additional charges” proposed that include cleaning, appraisal and storage costs. This is valuable money that should be available for the benefit of unsecured creditors.

4. The Consignment Agreement also contemplates a 20% or 25% buyer’s premium on each item. This will result in the Auctioneer being paid up to 50% of the entire sale price.

5. The Committee requests that the Debtor be required to either negotiate with Dargate for more favorable terms, including a more favorable percentage (i.e. a lesser percentage of the sale price to be paid to the Auctioneer), or find a more reasonable auctioneer.

WHEREFORE, the Committee requests that the Court deny the Debtor’s Application to Employ Auctioneer in its current form, and requests such other and further relief as the Court deems necessary and just.

Respectfully submitted,

KNOX McLAUGHLIN GORNALL &  
SENNETT, P.C.

Attorneys for the Official Committee of Unsecured  
Creditors for Tri-State Pain Institute, LLC

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on April 19, 2021, a copy of the Committee's Limited Objection to Debtor's Application to Employ Dargate Auction Galleries LLC as Auctioneer was served by first class, United States mail, postage pre-paid, and/or electronic service, as follows:

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Respectfully submitted,

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